

**MTAC Focus Group Session Notes**  
**Wednesday, November 19, 2014**

**PRODUCT DEVELOPMENT**

**Gary Reblin, USPS VP-New Products and Innovation**  
**Steve Colella, MTAC Industry Leader, Mailpiece Design/Product Development**

**Session 1: PACKAGE SERVICES**

**(John Medeiros, MTAC Industry Leader)**

Gary welcomed all and invited introductions.

Priority mail up 6% in revenue and 5% volume.

Mobile website now allows purchases and printing of labels.

**My USPS Presentation**

Launch Holiday version of Mobile App-Our Season.com.

Tracking is main reason people use USPS website.

MyUSPS.com allows tracking data to be pushed to the consumer.

3 steps:

- Create account
- Verify your identity
- Manager your packages

Options:

- Incoming Package View
- Delivery alert preferences-still evolving
- Delivery instructions-not free form-drop down menu of preset available destinations
- Hold Mail-available for each package
- Ship Now

Dashboard-includes estimated delivery date.

Current Status-where/who package is coming from.

If not on dashboard but consumer has tracking number can enter and add to dashboard.

However, package will not have options above until USPS verifies consumer identity and package identity match.

*Suggestion made that when consumer enters tracking ID that USPS does not yet have-present message is invalid number-to consider changing message to include that ID formatted correctly.*

Updated: \_\_11/25/14\_\_

*However, USPS may not yet have ID number-this may help consumer understand to check back later.*

Site does not display partner scans-until USPS receives partner manifest and if it contains the scan information.

Added feature will allow for package intercept. Present rate is now 84% up from 35%. Carriers will now get audible beep if they try to deliver package that has intercept order. The USPS is also looking to add an eSignature feature.

#### My Post Office (MyPO)-Kelly Scott

MyPO is an internal application that serves as the primary task management tool used by the Local PO to track the letter carriers daily workload.

Also used for customer complaints and also for USPS to do general alerts.

#### MTAC Shipping Products and Services-2015 Proposed Initiatives

##### Karen Key presented the USPS Vision:

Be the market leader for packages under 20 pounds.  
Provide choice and convenience making it easy to shop.  
Unlock our last mile.  
Help ebusinesses reach national scale by staging goods.  
Return on Your Own (ROYO).  
Allow merchants to track revenue.

##### Two Federal Register Notices Filed:

Filed 11/17

Request that return receipt for merchandise be removed from the mail Classification Schedule. Return receipt for merchandise service was first introduced in 1988 to provide retail and commercial mailers with the ability to obtain a return receipt postcard for packages containing merchandise.  
Volume and revenue for service has declined over the years.

11/14 Remove First-Class Mail parcels from the market dominant products list.  
Have an identical service be added to the competitive products list as a retail subcategory of the existing First-Class package service product  
Approval will include IMpb and name change.

Updated: \_\_11/25/14\_\_

Streamlining of Extra Services offered by USPS

Reduce 20 extra services to 9

Return Receipt of Merchandise-eliminate service

Proposed:

Return Receipt (hardcopy) Barcode PS Form 3811, update to include IMpb

Return Receipt After Mailing-eliminate service Online and Retail

Return Receipt for Merchandise-eliminate

Adult Signature expand to First-Class Mail, Package Service, Parcel Select and Parcel Service

Lightweight

Place under USPS Signature umbrella

Provide entire signature instead of first initial and last name

Add Adjust as option to Certified mail

Signature Confirmation-allow to be combined with any parcel and with any other extra service-except for Adult signature.

Certificate of Mailing Individual-Federal Register Notice announcing discontinuance of service

January 2016

Contact Legal Community

Eliminate PS form 3817, Certificate of Mailing

Certificate of Mailing-Firm

Commercial offering only

Remove Certificate of Mailing from PS Form 3877

Firm Mailing Book for Accountable Mail

Create new PS form for Certificate of Mailing Firm and include IMpb on form

Determine new form #

Link new PS Form, Certificate of Mailing

Certificate of Bulk Mailing-no change to form but require barcode on form

Certified Mail-link barcode to new return receipt

USPS Tracking STC 35 FY13-Voume 1.9B

Include tracking for four domestic products-Bound Printed Matter (BPM), First-Class  
Parcels, Library Mail and Media Mail

Will not include USPS tracking for Standard Mail parcels

Eliminate (Package ID)PID # at Retail

Updated: \_\_11/25/14\_\_

Special Handling: Eliminate weight threshold.

4 options under Special Handling umbrella

Fragile Fee

Live Animal

- Based on current offering
- Assessed only for shipments of 'day old poultry' send via Priority Mail Express or Priority Mail to Zones 5-9

Hazardous Material Transportation Fee

All shipments of HAZMAT

Perishables

Include IMpb with host product

No form for Special Handling –marking on shipment still required

Insured Mail <and > \$200

Combine domestic insurance service into one table

Priority Express

COD-

- Introduce EFT process
- Allow hold for pick up online and Commercial
- Street delivery option for online Commercial and Retail
- Update PS Form 3816, Collect on Delivery

Restricted Delivery

Product Simplifications: Returns-multiple proposed initiatives reviewed

Flat Rate for First-Class package return services up to 1 pound

Value Added Services

- eSignature
- Hold for Pick UP
- Online Refunds
- Claims
- Premium Forwarding Service Commercial
- Delivery Instructions
- APIs for Shipping Initiatives
- User Guide Books-revisions

## **ACTION ITEMS**

- **Bob Dixon to set up MyUSPS.com webinar with Industry to provide more detail review of website.**
- **Prior to webinar the Industry wants to discuss the options within MyUSPS.com regarding concerns/conflicts that may exist in data shown on dashboard. It was suggested this discussion can take place during the PTR user group weekly meeting. Karen Key/Bob Dixon to set up meeting.**
- **Karen Key to look at the classification of HAZMAT.**

## **Session 2: FIRST-CLASS MAIL**

(Sharon Harrison, MTAC Industry Leader)

Gary Reblin welcomed all and invited introductions.

Gary Reblin announced launch of the new look to the usps.com website and encouraged all to go on and review. Gary also announced review of the new mobile site.

OIG looking into Postal Study on invoices.

An action Item will be that Gary will follow up with John Huffman on supplying industry with information regarding the Denmark Billing Study and how the USPS may want to duplicate the study-provide information regarding timing and requirements so companies can decide if they would like to participate in a new study.

Sharon Harrison-thanked USPS for announcing that USPS was not going to file rate increase for January-industry appreciated the advance notification.

Single First-Class Mail volume drop seems to have leveled out. The USPS is predicting same card volume this Holiday Season as last season.

### **Recap of 2014 Promotions:**

Still two promotions in progress:

- Color in First Class Mail Transactions Promotion
- Mail Drives Mobile Commerce Promotion

Program Totals (2011-2014 through September)

- Nearly 20 billion pieces
- Over \$4 billion revenue
- Almost \$100 million discounts

Updated: \_\_11/25/14\_\_

- 8,200 participants

FY 13

- 6 promotions
- 5.3 billion Pieces
- \$1 B revenue

FY14

- 7 promotions Nearly 6 billion pieces
- \$1.25 billion revenue

#### Earned Value Credit

- 574 customers reenrolled
- Almost 500 million mail pieces were counted during the promotion months
- 2014 credits expire January 31, 2015

#### Emerging Technologies Promotion

- 73 customers

#### Color in First-Class Mail Transactions Promotion (ends 12/31/14)

- To date 37 customers (largest First-Class customers) have mailed over 584MM pieces
- Total discount to date is over \$4.9MM

#### Mail Drives Mobile Commerce Promotion (ends 12/31/14)

- To date 193 customers have mailed over 486MM pieces
- Total discount to date is \$4.1MM

An action items is USPS will work with legal team to help address coverage period for non disclosure agreements (NDA's) to help aggregate mailer results data on Color in FCM Transactions Promotion to better share results and impacts of the promotion.

Sharon Harrison explained a benefit of the Color in First-Class Mail Promotion was that for her company the operations and marketing departments worked previously independent of each other whereas now marketing views the invoice as a marketing tool and they work together.

#### **Every Door Direct Mail promotion Coupon launched on September 7**

- \$50 and \$100 coupons are being offered
- Over 3,000 coupons distributed through November 19, 2014

\$435 million in revenue

Updated: \_\_11/25/14\_\_

### **Proposed 2015 Promotions**

- Still unsure when to file but given green light to assume an April launch.
- All programs still need Board of Director and PRC approval

#### Programs:

- Earned Value (April to June) includes the 1% extra for increased volume from previous year First Class (return mail)
- Color (June 1-November 30) First-Class
- Emerging Technology (April 1-September 30)-Standard and First Class
- Mail Drives Mobile Engagement (July 1-December 31)-Standard only

Individual mailings are eligible for only one promotion. The exception is Earned Value since that is applied on the return piece.

### **Earned Value Credit-speeding up credit release**

#### Situation in 2014

- Promotion ended June 30
- Credits were not available for use until after August 26

January Release may include pre-verification of mail pieces. Goal would be to put preapprovals into system to help acceptance people.

eDoc registration would still be available.

### **Proposed Improvements for 2015**

#### New functionality in Program Registration

- Automated threshold calculation
- Automated credit piece adjustment for mailer meeting or exceeding their volume thresholds

#### Functionality built into PostalOne!

- August 2014 release identifies credits earned in 2014 and in 2013
- Credits from 2013 to be applied before 2014 credits can be used (\$30,000 still unclaimed)
- Supports expiration date for credits earned in 2014

An action items will be to set up discussion with Elka Reuning-Elliot regarding preregistration of mail pieces to ensure this streamlines the process and not create double work for the industry.

Updated: \_\_11/25/14\_\_

### **Open Discussion:**

Sharon Harrison asked if new rate increase will effect single piece residual issue. Gary said he is not aware of any pricing information on this but has and will continue to pass through industry feedback to fix this issue.

### **Alternate Postage:**

A convenient way for your customers, stores or business partners to send single piece First-Class Mail letters and cards without affixing postage or a postage stamp.

You pay the postage for the mail to go between any two or even three parties.

### **Features:**

Send from multiple locations to multiple locations

Include your company brand or logo for free

Obtain tracking information via barcode to help calculate ROI

You can include digital technology including QR codes

Requires special FIM and indicia and IMb-only for letters

Host company not charged until IMb is scanned in the field. Charges go through CAPS-prefunded

An action items will be that Vickie Stephen will follow up on discrepancies with mail.dat records vs. CAPS records. Example: Do not see line item for amount of discount-see only amount paid.

### **ACTION ITEMS**

- Gary Reblin to follow up with John Huffman on supplying industry with information regarding the Denmark billing study and how the USPS may want to duplicate the study – to provide information regarding timing atnd requirements so companies can decide if they would like to participate in a new study.
- USPS to work with legal team to help address coverage period for the nondisclosure agreements (NDAs) to help aggregate mailer results for data on color in FCM transactions to better share results and impacts of the promotion.
- Steve Colella to set up discussion on the Color and First-Class Mail Transaction promotion with Elke Reuning-Elliott regarding preregistration of mail pieces to ensure this streamlines the process and not create double work for the industry. This issue was also brought up in User Group # 8 on promotions.
- Vicky Stephen to follow up on discrepancies with mail.dat records vs. CAPS records. Example: Do not see line items for amount of discount – only see amount paid.



## Session 3: PERIODICALS

(John Stark, MTAC Industry Leader)

**Gary welcomed all and invited introductions.**

### **Pulse of Industry:** John Stark reported the following:

Conde Nast-sold trade division, sold Parade newspaper supplement (32MM weekly)

Moving to new Trade Center

Meredith and Time-publicly announced earnings. Meredith- Magazine side is still soft. Has licensing agreement with Martha Stewart.

Rebranding Time Inc in two overseas locations - now Time Inc England and Time Inc India in those countries.

Digital growth has been good. However, revenue doesn't make up what is being lost in print.

Hearst-wants to try and launch new magazine every two years.

### **PAG initiatives:**

- The USPS is working with the Industry on the delivery of the 'bulk' Newsstand copies- being worked on in PAG/IDEAlliance.
- Operationally, the USPS is working with the publishers to avoid the use of string or rubber bands
- Trying to determine how to minimize the processing difficulties of unbound publications in the mailstream
- Industry would like to eliminate free copy rule for Classroom and Nonprofit, presently allow up to 10%, and still get the preferred rate. Industry presently waiting for ruling from Becky Dobbins, Mailing Classification.

### **Periodical Volume:**

Volume continues to decline average 4-5%. QTR 4 over 5% decline.

2014 Promotion Review (see First-Class notes).

Alternate Postage Review (see First-Class notes).

Benefits of Alternate Postage:

- A mail version of social networking
- A convenient and simplified customer experience-customer does not need to apply postage

Updated: \_\_11/25/14\_\_

- Control over your brand messaging
- Enhanced creative opportunities
- Mailpiece tracking information for analytics and planning

### **ACTION ITEM**

- Industry would like to focus on NFC demos and emerging technologies at next MTAC meeting.

## **Session 4: STANDARD MAIL**

(Wanda Senne, MTAC Industry Leader)

**Gary welcomed all and invited introductions.**

### **Pulse of the Industry:**

No Report

### **Volume Changes:**

Volume is relatively flat and QTR 1 2015 off to good start. Qtr 4 2014 was down and was only the 2<sup>nd</sup> quarter with volume decreases over last 2 years.

Carrier Route down 4.7%

Letters down 8.5%

Overall down .9%

2014 Promotion Recap (see First-Class notes)

EDDM Update (see First-Class notes)

An action item is Gary's team will get information about Alternate Postage program posted to RIBBS.

### **Proposed 2015 Promotions:**

See notes for First-Class Mail.

Kurt Ruppel asked about expanding the mobile buy it now promotion to items that have longer sales cycle such as insurance policies, credit card applications etc. Gary noted the basis of the program is for the mail piece recipient to trigger an impulse buy. Not sure if this would fit that definition. Gary noted that USPS this year did allow nonprofit donations to be included in the promotion.

Updated: \_\_11/25/14\_\_

Kurt-also asked if USPS is considering continuing the saturation promotion. Gary indicated they may consider for the latter part of 2015 but not the beginning.

Gary addressed the USPS pick and pack test in Chicago.

### **Using Neuroscience:**

#### **Vickie Stephen Reported on the Royal Mail-commissioned Study:**

- Investigate how the brain processes physical marketing materials vs. virtual/digital.
- MRI scanning to study cerebral processing for each.

#### **Findings:**

- Tangible materials leave a *deeper footprint* in the brain-visual, special memory networks.
- Physical material involves more *emotional* processing-important for *memory and brand association.s*
- Physical materials produce more brain responses-*greater “internalization” of the ads.*

OIG is reviewing but report is not available at this time.

#### **Millward Brown Case Study:**

Vicky showed slide of ‘brain on mail’ - larger response in brain when viewing mail over digital.

#### **OIG Research Report on Mail Innovations**

Highlights areas for innovation in Mail:

#### **Ten Categories:**

- Connected Mail
  - OR Codes
  - Augmented Reality
  - NFC
  - Webkeys
- Electronic Mail
  - Video in Print
  - Mobile in Print
  - Conductive Ink

Updated: \_\_11/25/14\_\_

- Dimensional Mail
  - Interesting Inks
  - Customized MarketMail
  - 3D Mail

### **ACTION ITEMS**

- Gary Reblin's Team to get information about Alternate Postage program on RIBBS.
- Vicki Stephen asked that the link to the website be provided for the OIG Research Report on Mail Innovations.